

REPORT

Planning and Development

To: Mayor Johnstone and Members of Council
Date: October 21, 2024

From: Jackie Teed, Director
Planning and Development
File: 05.1035.05-2024
REZ00239
EDMS #2533237

Item #: 2024-580

Subject: Rezoning: 88 Tenth Street (Columbia Square) – Zoning Amendment Bylaw for Three Readings

RECOMMENDATION

1. **THAT** Council consider Zoning Amendment Bylaw (Columbia Square) Bylaw No. 8485, 2024 for Three Readings.
 2. **THAT** Council endorse the Columbia Square Policy Statement as a basis for developing a Master Plan for 88 Tenth Street, to be completed prior to Council's consideration of adoption of the Zoning Amendment Bylaw.
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PURPOSE

To request Council consider Zoning Amendment Bylaw No. 8485 for three readings and endorse the Columbia Square Policy Statement which would guide the creation of a Master Plan for a multi-phased development of a high-density, complete, mixed use, and transit-oriented community at 88 Tenth Street (Columbia Square).

EXECUTIVE SUMMARY

An application has been received to redevelop 88 Tenth Street (Columbia Square) as a high-density, complete, mixed use, and transit-oriented community, which is intended to include a variety of housing opportunities, office and retail uses, and community and public spaces. The multi-phased development includes, residential density of up to 279,000 square metres (3 million square feet). Of this, 20% would be secured market rental, replacing of the existing 11,350 square metres (122,000 sq. ft.) of retail floor area, and a minimum of 3,900 square metres (41,979 sq. ft.) of commercial office

space. It would also provide a minimum of 885 square metres (9,500 sq. ft.) of not-for-profit childcare space. An option will be made available for the School District to

purchase or lease property from the applicant for an urban format public school or other facility. Should this option not be pursued, a minimum additional 557 to 1,114 square metres (6,000 – 12,000 sq. ft.) of market or not-for-profit childcare space would be provided.

Given this is a master plan site, an adapted application review process has been used to establish the land uses and densities for the site prior to undertaking the master planning process. The Zoning Amendment Bylaw and Columbia Square Policy Statement which are being brought forward to Council at this time will collectively establish, in principle, fundamental zoning parameters, guiding principles, key considerations and high level policies for the site. Prior to the Zoning Amendment Bylaw being brought forward for adoption, a Master Plan would be developed as guided by the proposed Policy Statement. The Master Plan would serve as a detailed blueprint for the future development, in particular by guiding review of future Development Permit Applications which are delegated to staff.

Applicant-led and City-led public consultation for the project has concluded and the proposal is generally consistent with City Policy including: the Interim Development Review Framework (IDRF), the Interim Density Bonus Policy (IDBP) and the Official Community Plan (OCP). The statutory requirement for public notification has been met. Staff recommend that Council consider Three Readings of the Zoning Amendment Bylaw, and endorse the Columbia Square Policy Statement as a basis for creating a Master Plan for the site to be completed prior to Council’s consideration of adoption of the Bylaw.

BACKGROUND

Site Characteristics and Context

The subject site is a large (29,084 square metres / 313,062 sq. ft. / 7.2 acre) triangular shaped lot located at the western gateway of the Downtown neighbourhood bounded by Royal Avenue and Columbia and Tenth Streets. The site is relatively flat and the majority of it is located within the flood plain. The site is proximate to New Westminster SkyTrain Station and located within tier 2 of the Columbia Street SkyTrain Station Transit Oriented Development Area.



More site characteristics and context is provided in Attachment 1.

POLICY AND REGULATION CONTEXT

Land Use Regulation

The subject site has a Mixed Use High Density land use designation within the Downtown Community Plan (DCP), is located within Tier 2 of the New Westminster Station Transit Oriented Development Area and is currently zoned C-4 – Downtown Mixed Use District (High Density) (C-4). As the proposal is not consistent with current zoning, a rezoning application is required. Additional policy and regulation context is included in Attachment 2.

Density Bonus Policy and Interim Development Review Framework

The Provincial government has introduced wide ranging changes to housing legislation that governs how municipalities plan for and approve new development, and how growth is financed. The City is currently working to review and update its regulations, policies, and practices in light of these changes. While this review is underway, the City has introduced the Interim Development Review Framework (IDRF) and the Interim Density Bonus Policy (IDBP) to provide greater transparency and predictability in the development review process and to facilitate continued development review.

Per these policies, Official Community Plan compliant rezoning proposals with multi-unit residential density have two financing growth contribution options, as follows:

1. Meet the requirements of the current Inclusionary Housing Policy, in which case, density bonus charges would not apply; or,
2. Provide a cash density bonus contributions for additional market residential density per IDBP requirements. This policy also allows applicants to propose in-kind amenities, such as below-market housing units. As detailed in the IDBP the value of the in-kind amenity, as approved by the City, would offset all or a portion of the project’s cash density bonus charge.

PROPOSAL

The proposal is a multi-phased, complete, mixed use and transit-oriented development with a general form of development expected to be tower residential with a mix of retail, office and residential podiums interfacing with grade. Currently it is anticipated that development of the site would occur in three phases. Based on key tower planning principles and design guidelines it is anticipated the site could accommodate up to eight additional towers, nine total including an existing residential tower on site.

Significant residential density of up to 279,000 square metres (3 million sq. ft.) is anticipated, consistent with the Downtown Community Plan (DCP) designation. This is anticipated to result in about 3,800 residential units and 7,250 residents. As per Council direction, this site would be required to secure 20% of the residential use as secured market rental tenure. The proposal does not provide inclusionary or affordable housing, and the Interim Density Bonus Policy would apply to the site, with density bonus charges required for the proposed density above existing entitlements. A variety of housing opportunities would be provided including a mix of tenures (secured rental and strata), and that the updated Family-friendly Housing Policy and regulations would apply once in place.

The development would provide retail and office commercial floor area. Existing retail floor area (11,350 square metres / 122,000 sq. ft.) would be replaced on site and would be consistent with the City’s Retail Strategy. A minimum of 3,900 square metres (42,000 sq. ft.) of commercial office space would be provided in the first phase of development.

The development would also be required to provide 885 square metres (9,500 sq. ft.) of not-for-profit childcare space. An additional 557 to 1,114 square metres (6,000 – 12,000 sq. ft.) of market or not-for-profit childcare space would be provided should the School District not purchase or lease property from the applicant for an urban format public school.

DISCUSSION

Zoning Amendment Bylaw

Zoning Amendment Bylaw 8485, 2024 (Attachment 4) creates a high-level Comprehensive Development District for the subject property. This zoning district has been drafted to be flexible allowing the opportunity for further regulations, requirements and guidelines to be identified and refined through the Master Planning process and layered on top.

The zoning district regulations include:

- Base 3.0 FSR residential density, consistent with density entitlements in the current Downtown Mixed Use Districts (C-4) zoning of the property;
- Bonus residential density up to 9.5 FSR which would require density bonus payments consistent with the Council adopted IDBP and IDRF;
- A minimum of 20% of the overall residential density on the site to be secured market rental housing;
- density bonus regulations which would require amenity contributions for all market strata residential floor space above a base density, consistent with the Council adopted IDBP and IDRF;
- Permitting podiums up to six storeys and towers of up to 53 storeys in height. (Note: heights and building massing would further refined and reduced through the Master Plan process and design guidelines);
- Allowing uses consistent with those permitted in the current Downtown Mixed Use Districts (C-4) zoning of the property; and
- Flexibility for the existing strata building to be retained within an Air Space Parcel on the site.

Columbia Square Policy Statement

The Columbia Square Policy Statement (Attachment 3) covers the following thematic topics: reconciliation; land use and density; housing; community amenities and servicing contributions; urban design; parks and open space; transportation; cultural diversity, social connection, inclusion and well-being; climate action; servicing; and phasing. The Policy Statement will guide the creation of a Master Plan for the site by establishing key principles, considerations and expectations; forming the initial components of the master plan; and identifying additional studies, analysis, consultation and detailed planning work required. Discussion highlights from key sections is included below.

Housing

In addition to the housing components outlined in the Proposal Section above, the Policy Statement signals the need to: continue to explore opportunities for housing partnerships and funding opportunities with senior levels of government, First Nations

rights holders and not-for-profit housing operators; have rental housing completed early in each phase of development; and, include a mix of housing types (e.g. townhouse-style units at grade and at tops of podium, etc.)

Adjacent City Lands

The Policy Statement signals the City’s intention to optimize the use of the adjacent City lands and City-owned road rights-of-way to deliver amenities and services to the community. Through the Master Planning process the types of uses, services and/or amenities on the City lands would be confirmed and the necessary dedications, and timing of those dedications from the development site would be determined. The Policy Statement also acknowledges that access to the City lands should be reviewed through the Master Plan process and allows access to be secured through the development site, if needed.

Schools

The Policy Statement identifies the need for the applicant to continue working with the School District through the Master Planning process to ensure both accurate and up to date school age population projections, and an opportunity for the School District to purchase or lease property on the site for possible delivery of a public school in an urban format. It is anticipated this would likely occur in a later phase. As noted, if the School District does not take advantage of the opportunity to purchase or lease property, 557 to 1,114 square metres (6,000 to 12,000 sq. ft.) of either non-profit or market childcare in addition to the base floor space included in the Zoning Amendment Bylaw, would be required in lieu.

Parks and Open space

The Policy Statement requires the creation of a public open space network of approximately 25% of site area, including a primary central open space. Open spaces would be active, programmable, amenity rich organizing elements for the development, which integrate with the city- and region- wide open space network and create strong connections to the rest of the Downtown and the Lower Twelfth Street Area.

Servicing

The Policy Statement outlines the necessary studies, reviews and modelling needed to determine civil engineering, transportation and servicing needs of the development, to be constructed by the applicant. Initial comments from the Engineering Department are included in Attachment 5.

Phasing and Construction Management

The current proposal is anticipated to be completed in three phases, over an extended timeframe. Mitigation of construction impacts needs to be considered early and comprehensively. As such the Policy Statement requires the completion of both a phasing plan and a construction management plan. The phasing plan would:

- detail timing of delivery of aspects of the proposal (amenities, childcare, rental housing, retail, servicing, etc.),
- phasing plan that ensures quality temporary conditions (streetscape, fencing, grading, directional signage, etc.) between phases and
- be implemented through a development agreement covenant.

The construction management plan would help minimize the impacts of construction, such as noise, debris, access, interruption of pedestrian, bicycle and vehicle movements for residents, businesses on and off-site as well as the wider community.

CONSULTATION

Applicant-led Consultation and Response

Prior to the formal application process the applicant engaged with the community on the proposed redevelopment of the site. Key themes in the feedback include:

- 1) impacts to City infrastructure including, parks, recreation facilities, road capacity;
- 2) lack of affordable housing options provided by the development;
- 3) limited open/green space on-site;
- 4) impacts on existing businesses and community retail opportunities;
- 5) construction and noise impacts; and
- 6) increased vehicular traffic impacts.

The applicant summary and details of applicant-led consultation is included in Attachment 6.

City-led Consultation

Key themes that emerged from the City-led consultation include:

- ability to retain existing retail services on the site;
- traffic and parking;
- impacts of the additional population on infrastructure and services including: schools, transit, open space, medical, sewer, water, electrical
- construction impacts including noise, dirt, traffic management;
- desire for affordable housing; and
- impacts on private views.

As a result of feedback from the City-led consultation some revisions were made to the Columbia Square Policy Statement, including:

- addition of wording in the phasing section related to seeking opportunities for existing tenants to remain on site.
- added the City’s Riverfront Vision to the Additional City Policy and Objectives section and linking the open space on the site to the larger open space network and the Riverfront objectives.

Survey response, Be Heard Q&A and emails, and additional details of City-led consultation are included in Attachment 6.

Future Master Plan Consultation

Through the creation of the Master Plan, additional opportunities to engage with stakeholders and the public will be identified and undertaken by the applicant and/or the City to help inform this process. Staff will work with Legislative Services to determine how additional engagement and/or information may be shared with Council, considering the Zoning Amendment Bylaw will be at Third Reading.

ADAPTED REVIEW PROCESS

The adapted development application review process for this application is as follows:

1. Introductory Report to Council (June 12, 2023);
2. Council Direction for Review of Revised Proposal within 2024 (April 8, 2024);
3. Revised Proposal and Review Process Report to Council (May 27, 2024);
4. Applicant-led Consultation (June 19, 2024);
5. Interdepartmental Staff Review Toward Suitable Zoning (June-September 2024)
6. City-led Consultation (September 9 - 30, 2024);
7. Public notification that no Public Hearing held with respect to Zoning Amendment Bylaw No. 8485, 2024 (October 11 - 21, 2024);
8. Council consideration of endorsement of Columbia Square Policy Statement (**WE ARE HERE**);
9. Council consideration of Three Reading of Zoning Amendment Bylaw (**WE ARE HERE**);

The anticipated next steps for this application are:

10. Creation of Master Plan including public and stakeholder engagement;
11. Completion of adoption requirements, including development agreement and other legal agreements;
12. Council consideration of adoption of the bylaws;
13. Issuance of the Development Permits by the Director of Planning and Development.

Additional details on the adapted development review process is included in Attachment 7.

FINAL ADOPTION REQUIREMENTS

The following items would need to be addressed to the satisfaction of the Director of Planning and Development and Director of Engineering prior to the adoption of the proposed Zoning Amendment Bylaw:

- Creation of a detailed Master Plan for the subject site based on the Columbia Square Policy Statement;
- Registration of a Development Agreement to Secure requirements identified through the Master Planning process for, including but not limited to:
 - securing rental housing commitments;
 - securing amenities such as childcare space or school space requirements;
 - phasing of development;
 - addressing requirements related to adjacent City-owned lands; and
 - dedication of lands for servicing, frontage improvements and optimizing use of adjacent City owned lands.
- Registration legal agreements securing bonus density contributions;
- Amendments to Zoning Amendment Bylaw No. 8485, 2024 as needed as a result of the development of the Master Plan;
- Verification of compliance with Environmental Management Act requirements;
- Completion of any other necessary legal agreements;
- Any other requirements as determined by the Director of Planning and Development.

FINANCIAL IMPLICATIONS

The project proposes significant improvements and additional development entitlements to the site. The overall scope of improvements would be expected to increase the property’s value, which subsequently is anticipated to increase property tax revenue. Bonus density contributions and Development Cost Charges (DCCs) would be calculated and collected prior to Building Permit issuance, at the rates set at that time. As required by the Policy, the applicant must register a Section 219 Covenant on title of the property requiring these payments.

Based on the current high level submission from the applicant, and the City’s current policy context, including current Density Bonus rates, the total value of Density Bonus contributions from the proposal is estimated to be \$60,000,000. As indicated above, these funds would be utilized towards City initiatives as directed by Council.

INTERDEPARTMENTAL LIAISON

The City has a project-based team approach for reviewing development applications. A staff-led project team was assigned for reviewing this project consisting of staff from Engineering (Servicing and Transportation), Fire, Electrical, Parks and Recreation, and Planning and Development (Building, Planning, Trees, and Heritage) Departments who provided comments throughout the development review process.

OPTIONS

The following options are available for Council’s consideration:

- 1. That Council consider Zoning Amendment Bylaw (Columbia Square) Bylaw No. 8485, 2024 for Three Readings.
- 2. That Council endorse the Columbia Square Policy Statement as a basis for developing a Master Plan for 88 Tenth Street, to be completed prior to Council’s consideration of adoption of the Zoning Amendment Bylaw
- 3. That Council provide staff with alternative direction.

Staff recommends Options 1 and 2.

ATTACHMENTS

- Attachment 1: Site Characteristics
- Attachment 2: Policy and Regulation Context
- Attachment 3: Columbia Square Policy Statement
- Attachment 4: Zoning Amendment Bylaw 8485, 2024
- Attachment 5: Initial Engineering Servicing Memo
- Attachment 6: Consultation Feedback
- Attachment 7: Adaptive Application Review Summary

APPROVALS

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